

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
WEST SHELBY WATER DISTRICT) CASE NO. 99-405

O R D E R

On September 27, 1999, West Shelby Water District (West Shelby) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068. West Shelby s application was rejected pursuant to 807 KAR 5:001, Section 2(2), for its failure to include a copy of supplier s notice of the changed rate and the effective date as required by 807 KAR 5:068, Section 3; and for its failure to include information sufficient to determine the accurateness of the calculations of the purchased water adjustment as required by 807 KAR 5:068, Section 3(1).

On October 25, 1999, West Shelby submitted an amendment to its original application along with the other necessary information and its case was officially filed.

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. West Shelby purchases water from three suppliers, Shelbyville Municipal Water (Shelbyville), North Shelby Water Company (North Shelby), and Louisville Water Company (Louisville).

2. Shelbyville increased the wholesale water rate charged to West Shelby from \$1.15 per 1,000 gallons to \$1.37 per 1,000 gallons effective June 1, 1998. North Shelby increased the rates charged to West Shelby, effective March 12, 1999, as follows:

First	2,000	gallons	from	\$10.94	to	\$11.14	Minimum bill
Next	3,000	gallons	from	4.35	to	4.45	per 1,000 gallons
Next	5,000	gallons	from	3.23	to	3.33	per 1,000 gallons
Next	40,000	gallons	from	2.67	to	2.77	per 1,000 gallons
Over	50,000	gallons	from	2.11	to	2.21	per 1,000 gallons

Louisville did not increase its rate to West Shelby.

3. During the 12 months ending July 31, 1999, West Shelby purchased a total of 208,022,300 gallons of water and sold 186,269,900 gallons.

4. The increase in the cost of purchased water is \$27,159.52, resulting in a purchased water adjustment of \$0.15 per 1,000 gallons of water. Based on a monthly usage of 5,000 gallons, the average bill of a West Shelby customer would increase \$0.75 from \$22.42 to \$23.17 or 3.3 percent.

5. The purchased water adjustment of \$0.15 per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of \$0.15 per 1,000 gallons and the rates in Appendix A are approved for services rendered on and after October 25, 1999.

2. The revised tariff submitted by West Shelby is hereby rejected as filed because minimum bills for the 3/4 inch, 1 inch, 1 1/2 inch, 2 inch, and 3 inch meters are calculated incorrectly.

3. Within 20 days from the date of this Order, West Shelby shall file a copy of its revised tariff.

4. Within 20 days from the date of this Order, West Shelby shall file a copy of the notice to its customers and verification that such notice has been given.

Done at Frankfort, Kentucky, this 17th day of November, 1999.

By the Commission

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 99-405 DATED NOVEMBER 17, 1999

The following rates and charges are prescribed for the customers in the area served by West Shelby Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8 Inch Meter

First	2,500 gallons	\$12.37	Minimum bill
Next	7,500 gallons	4.32	per 1,000 gallons
Next	20,000 gallons	3.69	per 1,000 gallons
Next	200,000 gallons	3.19	per 1,000 gallons
Over	230,000 gallons	2.83	per 1,000 gallons

3/4 Inch Meter

First	3,500 gallons	\$16.69	Minimum bill
Next	6,500 gallons	4.32	per 1,000 gallons
Next	20,000 gallons	3.69	per 1,000 gallons
Next	200,000 gallons	3.19	per 1,000 gallons
Over	230,000 gallons	2.83	per 1,000 gallons

1 Inch Meter

First	5,000 gallons	\$23.17	Minimum bill
Next	5,000 gallons	4.32	per 1,000 gallons
Next	20,000 gallons	3.69	per 1,000 gallons
Next	200,000 gallons	3.19	per 1,000 gallons
Over	230,000 gallons	2.83	per 1,000 gallons

1-1/2 Inch Meter

First	10,000 gallons	\$44.77	Minimum bill
Next	20,000 gallons	3.69	per 1,000 gallons
Next	200,000 gallons	3.19	per 1,000 gallons
Over	230,000 gallons	2.83	per 1,000 gallons

2 Inch Meter

First	16,000 gallons	\$66.91	Minimum bill
Next	14,000 gallons	3.69	per 1,000 gallons
Next	200,000 gallons	3.19	per 1,000 gallons
Over	230,000 gallons	2.83	per 1,000 gallons

3 Inch Meter

First	30,000 gallons	\$118.57	Minimum bill
Next	200,000 gallons	3.19	per 1,000 gallons
Over	230,000 gallons	2.83	per 1,000 gallons

4 Inch Meter

First	50,000 gallons	\$182.37	Minimum bill
Next	180,000 gallons	3.19	per 1,000 gallons
Over	230,000 gallons	2.83	per 1,000 gallons

6 Inch Meter

First	100,000 gallons	\$341.87	Minimum bill
Next	130,000 gallons	3.19	per 1,000 gallons
Over	230,000 gallons	2.83	per 1,000 gallons